

Yolo County Economic Forecast

Yolo's economic base is dominated by the government and services industries. Government accounted for 34 percent of the total employment in 2002, with over 31,000 jobs. Within government, the majority of growth is expected to continue to concentrate in state and local government. The University of California, Davis is Yolo County's largest employer, translating into many present and future jobs for the labor force, which will expand at faster rates of growth during the latter part of the decade.

The non-durable manufacturing sector is principally comprised of food processing activities. However, since 1999, two tomato packing plants and a sugar refining operation closed. The food manufacturing sector lost 600 jobs, and is currently at the lowest level of employment in over 15 years. While this sector is not likely to rise to create jobs rapidly over the next several years, Yolo County will remain an important agricultural area for food processing, especially seeds.

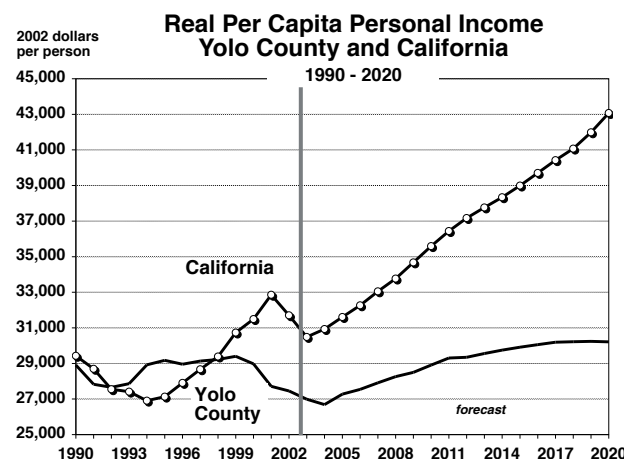
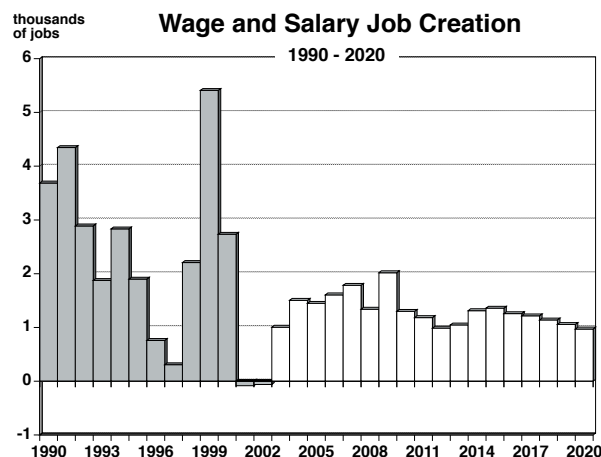
Population • January 2003

City	Population	2002-2003 % change
Davis	64,300	1.6
Woodland	51,000	1.2
West Sacramento	36,550	5.9
Total County	181,300	2.8

Biotechnology is emerging as a strong new employment sector in the county, partly due to the presence of UC Davis and the county's proximity to the San Francisco Bay Area. The agriculture, life sciences, and bio-tech programs at the university have contributed to attracting a growing cluster of biotechnology and research firms.

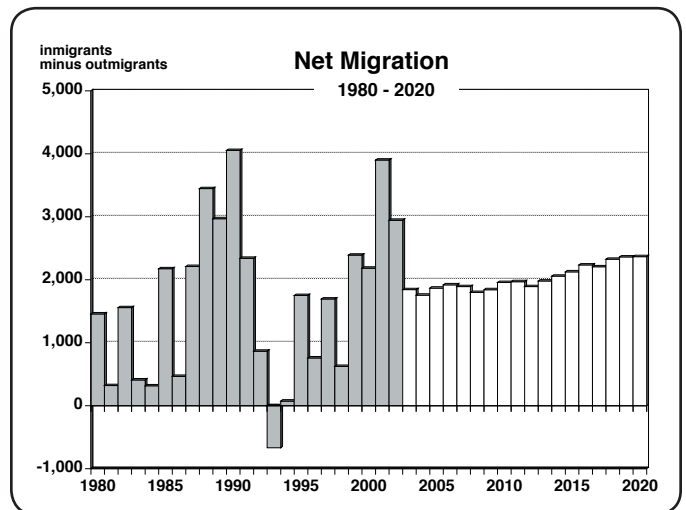
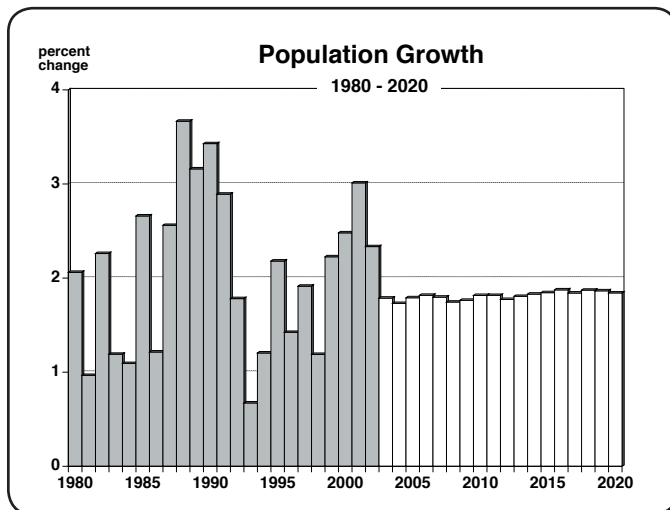
Forecast Highlights

- Forecast for Population: Net migration into the region averages 1,845 persons per year for the next 5 years. Population growth decelerates slightly from 2.2 percent between 1997 and 2002 to 1.8 percent per year between 2003 and 2008.
- Forecast for Employment: 1,000 new wage and salary jobs are created in 2003. A total of 7,700 jobs are created between 2003 and 2008. The compound rate



of growth between 2003 and 2008 is 1.6 percent per year. The unemployment rate is forecast to remain in a range of between 4.0 and 4.6 percent for the next several years.

- Forecast for Personal Income: Total inflation-adjusted personal income rises an average of 2.7 percent per year between 2003 and 2008. This compares to an average per year increase of 1.1 percent in real personal income between 1997 and 2002. Real per capita personal income increases 0.9 percent per year over the next 5 years.



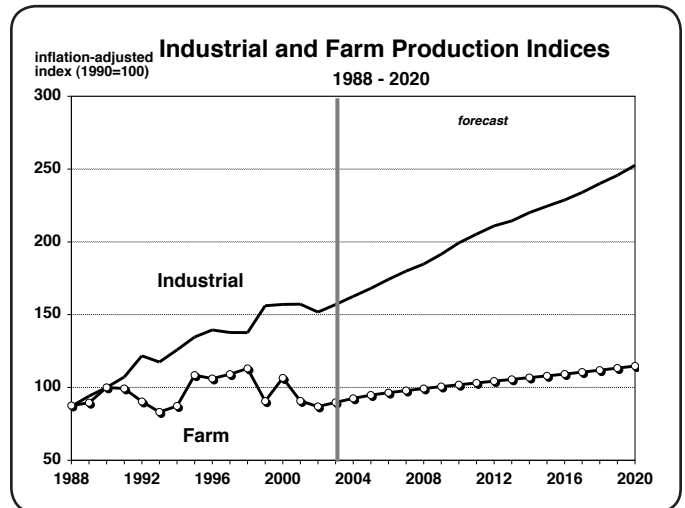
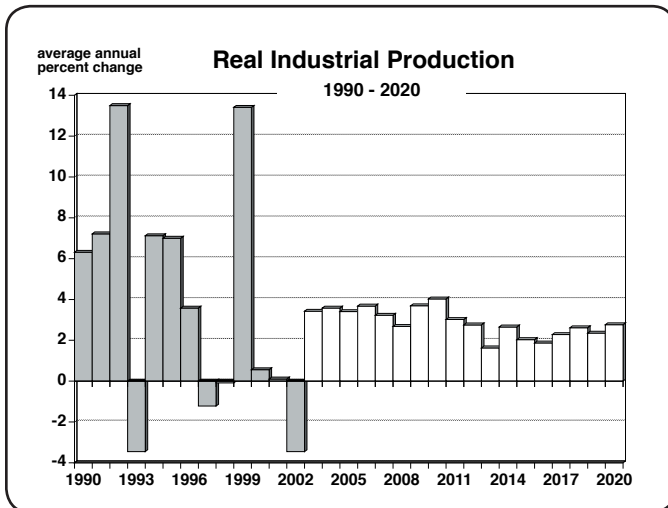
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1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	154,600	1,750	125	54.2	709	\$0.9	\$3.5	\$29,172	\$299	\$1.6
1996	156,800	759	126	54.9	798	\$1.0	\$3.6	\$28,957	\$300	\$1.7
1997	159,800	1,694	128	55.5	714	\$1.0	\$3.9	\$29,131	\$319	\$1.7
1998	161,700	624	123	56.2	1,591	\$1.1	\$4.1	\$29,223	\$340	\$1.7
1999	165,300	2,391	132	57.0	1,465	\$1.2	\$4.3	\$29,403	\$284	\$1.9
2000	169,400	2,184	136	57.7	1,216	\$1.4	\$4.6	\$28,975	\$349	\$1.9
2001	174,500	3,900	140	59.2	1,300	\$1.4	\$4.8	\$27,716	\$314	\$1.9
2002	178,573	2,944	144	60.5	1,325	\$1.4	\$4.9	\$27,453	\$305	\$1.8
2003	181,763	1,843	148	62.0	1,307	\$1.4	\$5.0	\$26,991	\$323	\$1.9
2004	184,909	1,755	152	63.0	1,333	\$1.5	\$5.2	\$26,687	\$342	\$2.0
2005	188,221	1,866	156	64.0	1,351	\$1.5	\$5.6	\$27,274	\$361	\$2.0
2006	191,640	1,919	159	65.3	1,339	\$1.6	\$5.9	\$27,544	\$377	\$2.1
2007	195,084	1,891	161	66.5	1,356	\$1.6	\$6.2	\$27,912	\$393	\$2.2
2008	198,489	1,799	164	67.6	1,301	\$1.7	\$6.6	\$28,256	\$409	\$2.2
2009	201,989	1,841	167	68.7	1,268	\$1.7	\$6.9	\$28,498	\$425	\$2.3
2010	205,655	1,956	171	69.6	1,278	\$1.8	\$7.3	\$28,906	\$442	\$2.4
2011	209,390	1,969	175	70.5	1,255	\$1.8	\$7.8	\$29,305	\$460	\$2.5
2012	213,101	1,891	177	71.7	1,208	\$1.9	\$8.2	\$29,349	\$479	\$2.5
2013	216,949	1,980	179	72.9	1,220	\$2.0	\$8.6	\$29,560	\$499	\$2.6
2014	220,918	2,057	182	73.9	1,244	\$2.0	\$9.1	\$29,747	\$519	\$2.6
2015	224,993	2,125	184	75.2	1,248	\$2.1	\$9.6	\$29,914	\$539	\$2.7
2016	229,211	2,235	186	76.5	1,250	\$2.2	\$10.1	\$30,056	\$560	\$2.8
2017	233,431	2,205	189	77.7	1,227	\$2.2	\$10.6	\$30,193	\$584	\$2.8
2018	237,800	2,326	193	78.7	1,201	\$2.3	\$11.1	\$30,222	\$608	\$2.9
2019	242,234	2,362	196	79.7	1,143	\$2.4	\$11.6	\$30,242	\$632	\$3.0
2020	246,696	2,366	198	80.6	1,078	\$2.5	\$12.2	\$30,217	\$657	\$3.0

- **Forecast for Average Salaries:** The average salary per worker in 2002 was \$36,300. Salaries rise an average of 0.8 percent per year during the decade. Average salaries are higher in Sacramento County than in Yolo County.

- **Forecast for Housing:** An average of 1,340 residential units are permitted per year over the next 5 years. This is a 5 percent increase in housing production compared to the previous 5 year period when an average of 1,268 units were permitted per year in Yolo County.



Total Wage & Salary (000)	Farm (000)	Construction (000)	Mining (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
					employment (jobs)				
80.8	5.0	2.8	0.2	6.3	6.3	19.5	3.1	12.4	25.3
81.6	5.3	3.0	0.2	6.1	6.6	19.2	3.0	12.9	25.3
81.9	5.1	3.3	0.2	6.1	6.3	19.6	3.1	12.9	25.3
84.1	4.8	3.5	0.2	6.4	6.1	20.3	3.4	13.2	26.2
89.5	4.9	4.0	0.2	6.4	6.0	21.7	5.1	13.8	27.5
92.2	4.9	4.3	0.2	5.8	6.3	21.8	4.5	15.2	29.3
92.2	4.2	4.3	0.3	5.6	6.3	21.7	3.6	15.7	30.3
92.1	3.8	4.3	0.4	5.3	5.9	21.1	3.7	16.1	31.6
93.1	3.8	4.2	0.4	5.3	6.0	21.3	3.9	16.4	31.8
94.6	3.9	4.3	0.4	5.4	6.1	21.4	3.9	16.8	32.4
96.1	4.0	4.3	0.4	5.3	6.1	21.6	4.0	17.1	33.2
97.7	4.1	4.4	0.4	5.4	6.2	21.7	4.1	17.6	33.8
99.4	4.2	4.4	0.4	5.5	6.2	21.8	4.1	18.3	34.5
100.8	4.3	4.5	0.4	5.6	6.3	21.9	4.1	18.8	34.9
102.8	4.4	4.4	0.4	5.8	6.3	21.9	4.1	19.2	35.3
104.1	4.5	4.4	0.4	6.0	6.4	22.0	4.0	19.7	35.7
105.3	4.5	4.4	0.4	6.0	6.4	22.1	4.0	20.1	36.4
106.3	4.6	4.4	0.4	6.0	6.4	22.1	4.0	20.4	37.0
107.3	4.6	4.3	0.4	6.0	6.4	22.1	3.9	20.8	37.6
108.6	4.7	4.4	0.4	6.1	6.4	22.2	3.9	21.1	38.5
110.0	4.7	4.4	0.4	6.1	6.5	22.2	3.9	21.5	39.3
111.3	4.8	4.4	0.4	6.1	6.5	22.3	3.9	21.9	40.0
112.5	4.8	4.4	0.4	6.1	6.5	22.3	3.9	22.3	40.8
113.6	4.8	4.4	0.4	6.2	6.5	22.3	3.9	22.6	41.5
114.7	4.8	4.3	0.4	6.2	6.5	22.3	3.9	23.0	42.3
115.6	4.9	4.1	0.4	6.2	6.5	22.4	3.8	23.2	43.1

- **Home Prices:** Selling prices for housing are relatively affordable in the greater Sacramento region. The median price in 2002 was \$231,344. Home values are forecast to rise 2 to 3 percent per year, adjusted for inflation. The unadjusted appreciation rate is 5 to 6 percent per year.

